

Mayor's Ad-Hoc Parking Study Committee
Thursday, January 14, 2010
4:30 PM
Council Chambers

In attendance: Councilor Keith Nyhan, Councilor Allen Bennett, Councilor Rob Werner (arrived at 4:50), Jeff Bart, Jim Corrigan, Will Delker

Staff: Carlos Baía, David Florence, Brad Osgood, Matt Walsh

Absent: John Hoyt, Charlie Russell

Meeting convened at 4:35 pm.

Approval of the December 21, 2009 minutes

The minutes were approved unanimously.

Parking Kiosk System

Carlos Baía noted that per the last meeting, staff was tasked with bringing back information regarding the parking kiosk systems utilized by Manchester and Portsmouth. Mr. Baía explained that Mr. Florence now had the information.

Mr. Florence provided the members with a spreadsheet analysis.

He noted that in order to obtain the equipment with no upfront capital costs, the vendor requires a minimum of 70 machines leased for a term of 60 months.

The vendor would review the City's parking areas and determine the locations of the machines. Mr. Florence explained the different financial scenarios based on the kiosk's fee structure and the use of \$.50 or \$.75 cent rates and/or additional enforcement periods.

Jeff Bart inquired as to the utilization rate assumed under the proposed increase. Matt Walsh responded that a recent proforma had shown that a meter on the street is occupied by an average of 3.5 hours per day based on 2009 actual figures. Based on this calculation, it is estimated that the added enforcement hours to 8pm Monday through Friday would result in an extra half-hour of usage.

Mr. Bart asked about the expenditure side stating that the added costs for PEO compensation might worsen the Fund's bottom line particularly if there is a drop-off in parkers due to meter rate increases or an increased enforcement period.

Mr. Walsh indicated that he assumed a 47% utilization (based on what happened the last time the City raised rates). Mr. Bart believed this estimate to be too "rosy".

Mr. Walsh explained that he had come up with 16 different financial scenarios for the committee to review based on its last recommendations.

Mr. Walsh cautioned that the City does not have any data for weekend or evening usage of the meters. Therefore, Mr. Walsh assumed 1/3 of weekday usage for weekends.

Mr. Bart admitted that the added enforcement times on weekdays will personally affect him as he has nine apartments in his building where residents count on parking on the street for free once they get home from work. This proposed change would—in Mr. Bart's opinion—make it more challenging to lease those apartments.

Chairman Nyhan expressed disappointment that the numbers were not better with the kiosk system. He assumed that the revenue would be significantly more than what was presented by Mr. Florence.

Chairman Nyhan asked why the vendor was insisting on a minimum of 70 kiosks. Mr. Florence responded that the 70 is only a factor of the committee's direction to seek to avoid upfront costs. As such, in order to lease, the number is 70. Should the City wish to purchase the equipment up-front, this would not be the case.

Will Delker asked what the life expectancy on the meters was versus the pay station. Mr. Florence replied that the meters have a 5 year life while the stations have 10.

Mr. Bart asked about what happens to the meters if they are removed to make way for the kiosks. Chairman Nyhan explained that at an earlier meeting, the committee had discussed re-using the meters in areas that today may not have them.

Mr. Walsh observed that the committee could look at a scenario where the City bonds the purchase of the kiosks. Mr. Walsh asked if the vendor's estimate of a 25% uptick in revenue was the net of all processing charges. Mr. Florence replied that it was and indicated that Manchester actually saw an over 30% increase. He noted that, in part, the increase is due to the use of credit cards. Parkers using credit cards are more likely to pre-pay for more time on their credit card than actually needed. Once they leave, the City retains the overage.

Mr. Florence went on to indicate that the system in question is the same used in Manchester, Portsmouth and Hampton Beach.

Mr. Bart asked if he was correct in his understanding that the conversion to the kiosk parking system would do nothing to improve the Parking Fund's revenue picture. Mr. Florence replied that in the first five years, it would not. Mr. Bart followed-up with the question as to why the committee was looking at this option.

Chairman Nyhan explained to Mr. Bart that in earlier meetings the committee had directed staff to come back with information on this system based on the assumption that the City would not have to incur any up-front costs.

Mr. Delker posited that if the City bonded the cost of the kiosks and re-used the existing meters, that the Parking Fund might—in fact—see some savings.

Mr. Florence explained that it would be the meters programmed for replacement in current City Capital Improvement Program (CIP) that would be replaced by the proposed pay stations.

Mr. Walsh explained that the committee could look at phasing or bonding the transition to pay stations. Staff could plug this into a pro-forma to determine what the financial repercussions might be.

Chairman Nyhan expressed a desire to look at other options. Mr. Walsh agreed to try to find a permutation that would work.

Chairman Nyhan requested that staff summarize the recommendations from the December 21st meeting for the benefit of Mr. Bart. Mr. Baía read through the recommendations from the minutes.

Upon hearing the recommendations, Mr. Bart expressed that although the notion of free holiday parking is great, the City is now facing a problem that needs to be addressed warranting its elimination. The recommendation that Mr. Bart found most distasteful was the increased weekday hours of enforcement. He also questioned the directive to eliminate free parking on south Storrs Street. Mr. Bart challenged the committee that if the rationale is that the elimination of this parking will drive parkers into the garage, the committee will be disappointed. He felt that these parkers will simply go somewhere else.

Chairman Nyhan acknowledged that the 12 hour enforcement period is problematic.

Mr. Delker suggested a residential permit to address the concerns with residents' inability to park after work without feeding a meter. Mr. Bart responded that the residential permit issue is a "hot button" item that has been debated in the past. The fear has been that if one area has a permit, other areas will want one also and how does one restrict this.

At this point, Chairman Nyhan asked Mr. Baía to bring the committee up to speed on Main Street Concord's reaction to the initial recommendations. Mr. Baía indicated that he had met with Jessica Eshleman, Main Street Executive Director, last week to go over the committee's recommendations. According to Mr. Baía, Ms. Eshleman was receptive to the recommendations but seemed to be most concerned about the membership's reaction to the elimination of free holiday parking. Mr. Baía committed to have someone from staff or Chairman Nyhan meet with the pertinent Main Street groups over the next month per Ms. Eshleman's suggestion.

Councilor Bennett remarked that people that want to shop on Main Street will pay the meter.

Mr. Bart suggested that some of the committee's recommendations may be counter to the City's efforts to reinvigorate upper story housing in downtown.

Mr. Corrigan explained that it appears that the city has the proper number of spaces but its efficiency is terrible. Mr. Walsh concurred indicating that the maximum yield for on-street spaces is only about 40%.

Chairman Nyhan expressed that the city has a convenience issue not a supply issue.

Mr. Walsh ran through the utilization rates for the garages: Durgin: 36%; Firehouse 25.76%; and Capital Commons 31%. Mr. Corrigan felt it would be wise to look at efficiency.

Chairman Nyhan asked if the solution was more turnover on Main Street. Mr. Bart indicated that the city had debated this years ago. At the time, there was a push spearheaded by one particular merchant to change the one hour meters on Main Street to a longer timeframe. Mr. Bart questioned why customers seeking longer stays on Main Street couldn't park in the garage. He suggested making the high demand parking areas more expensive and the garages cheaper would be a better alternative than increasing the hours of enforcement on weekdays and Saturdays.

Chairman Nyhan expressed support for the Saturday enforcement but indicated that the committee may have to re-visit the residential permit. Mr. Florence suggested that rather than a residential permit, the City could issue a "garage permit" based on what it's needed for (i.e. 8-8pm or only 5-8pm).

Councilor Werner reiterated that the city does not have a parking supply problem. Mr. Delker concurred but noted that if a customer is just running into the CVS downtown for a prescription, he or she won't want to park far away.

Chairman Nyhan asked if the on-street parking meters should therefore be more expensive, perhaps \$1.00 per hour. Mr. Bart felt that starting at \$.75 per hour for on-street would be a start that could be revisited later if it did not have the desired effect on turnover.

Councilor Werner suggested a shift in parking preferences by economic incentive. Both he and Chairman Nyhan questioned whether the meter rates should be the same on-street and in the garages.

Mr. Florence revisited his idea of having the rates be \$.75 universally but allowing for parking card users to only pay \$.50 as a means to have employees park in the garage rather than on the street. Mr. Florence felt that this would be more palatable to the downtown merchants. Mr. Bart disagreed with this concept and felt that an increase with a differentiated meter rate could be acceptable to downtown merchants if presented appropriately.

Mr. Delker indicated that such a differentiated rate could, in fact, move people into the garage. Councilor Werner concurred.

Chairman Nyhan asked if anyone on the committee was opposed to increasing the on-street parking meters to \$.75 per hour while maintaining the garages at \$.50. All the committee members present supported this recommendation.

Mr. Florence asked about the \$.25 meters on Storrs Street and noted that the spaces recommended for elimination at the southerly end of Storrs Street will likely be designated for bus parking to accommodate the Capital Center for the Arts traffic. There was some discussion of the possibility of the increase pushing people into the Capital Shopping Center. Mr. Baía indicated that he had attended a Chamber of Commerce meeting last week in which Tim Sink explained that the Chamber and the management company for that plaza do, in fact, tow vehicles that are clearly parking there on a daily basis illegally.

Mr. Nyhan felt that the on-street rate should be uniform throughout the city.

Mr. Walsh asked what to do with the parking cards. After additional discussion, it was agreed that the parking cards should be programmed for \$.75 at any on-street meter (where applicable) and \$.50 in the garages.

In summary: Committee recommends increase to \$.75/hour for all on-street meters while maintaining the current \$.50/hour rate in the garages.

The committee directed staff to run proforma models on the recommendations to date for the next meeting.

Chairman Nyhan also directed staff to prepare a summary of the decisions made to date framed in short-term/mid-term/long-term timeline.

The next meeting was suggested for the 27th or 28th. Staff will coordinate with the committee members as to schedule.

Meeting adjourned at 5:55pm.